Revised CPM Chapter 301, Subchapter 4, "Rotation of Employees from Foreign Areas," is issued herewith.

1. Add new pages as indicated below immediately following Subchapter 3, FPM Chapter 301.

<table>
<thead>
<tr>
<th>CPM Identification</th>
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<td>301.4</td>
<td>i, 1 through 4, &amp; Appendix A</td>
<td>Increases flexibility in granting extensions beyond five years, provides for delegation of authority to approve extensions, and deletes several categories of employees who were exempted from the rotation program.</td>
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2. File this Installment Sheet immediately preceding CPM Chapter 272.
SUBCHAPTER 4. ROTATION OF EMPLOYEES FROM FOREIGN AREAS

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   a. Purpose
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APPENDIX A. REFERENCES
SUBCHAPTER 4. ROTATION OF EMPLOYEES FROM FOREIGN AREAS

4-1. GENERAL

a. Purpose. This subchapter presents policies and procedures concerning the rotation of DoD employees from foreign areas.

b. Applicability and Scope. This subchapter applies to the Office of the Secretary of Defense (OSD), the Military Departments, and the Defense Agencies (hereafter collectively called "DoD Components"). Its provisions encompass DoD positions in the competitive civil service in foreign areas and in the excepted service in the Republic of Panama.

4-2. POLICY AND PROCEDURES

a. Limitation on Foreign Employment

(1) It is DoD policy to limit civilian employment in foreign areas to 5 years. The following categories of employees are exempt from this requirement:

(a) Employees in positions that require frequent contact with officials of the host nation and a detailed current knowledge of the culture, mores, laws, customs, or government processes of the host nation, which usually cannot be acquired outside the host nation. A position shall not be placed in this category unless the position description clearly specifies that the above duties and special knowledges are required;

(b) Employees who are family members accompanying military or civilian employees of the DoD Components who are stationed in the area. (For this purpose, family members are defined as the spouse, unmarried children, step-children, adopted children, foster children, and those under legal guardianship of the sponsor or spouse who have not reached their 23rd birthday.);

(c) Employees in the Senior Executive Service;

(d) Employees who were employed in a foreign area on April 1, 1966; and

(e) Educators in the Department of Defense Dependents Schools system.

(2) Employees who are exempt from the foreign employment limitation (paragraph 4-2.a.(1)) whose status is subsequently changed and who become covered by the limitation shall, after a period of time equivalent to one renewal agreement tour of duty, beginning with the date of change, become subject to the 5-year limitation on foreign employment. All immediately preceding employment with the Department of Defense in a civilian, appropriated fund capacity shall then be included in computing the 5-year period.

(3) Prior service or residence in foreign areas (except service in a civilian, appropriated fund capacity with the Department of Defense which has not been interrupted by CONUS residence) shall not be used in computing the 5-year period.
(4) At the request of management, extensions of the 5-year limitation of up to an additional tour of duty for the area may be granted by the DoD Component concerned on an individual-case basis for employees who are rated fully successful or better; are current in the knowledge, skills, and abilities required in their jobs; and have successfully adapted to the overseas work and cultural environment. An unlimited number of additional extensions beyond 5 years, each up to an additional tour of duty for the area, may be granted as long as the employee continues to be rated fully successful or better, and management certifies that the employee is current in the knowledge, skills, and abilities required in his or her job. A DoD Component may delegate the authority to approve such extension to its major commands. This authority may be redelegated to local military commanders.

b. Employees with Return Rights

(1) Career and career-conditional employees in the competitive service employed in the United States or in a non-foreign area, who accept an assignment outside the United States or in Alaska with their component shall be granted statutory return rights under 10 U.S.C. 1586 (reference (a)). Except for employees of the Office, Secretary of Defense, such employees who accept an assignment with another DoD component in Japan, Johnston Island, Korea, or Panama shall also be granted return rights. Components may establish policies granting return rights to its employees accepting an assignment in a foreign area with another DoD Component.

(2) Employees granted return rights must exercise them within 5 years, unless an extension is approved.

(3) If an extension of the foreign limitation beyond 5 years is approved, return rights shall be forfeited and return placement shall be effected through the DoD Priority Placement Program (DoD 1400.20-1-M (reference (b))), unless the activity in the United States agrees to continue the employee's return rights during the period the employee remains employed in the foreign area. Activities in the United States shall be advised when return rights have been forfeited. The overseas activity may grant one short-term extension (up to 6 months) for management reasons without loss of return rights.

(4) When foreign area employees transfer to another DoD Component, return rights previously granted shall be forfeited, unless the transfer is to a position in Japan, Johnston Island, Korea or Panama or the activity in the United States agrees to continue to grant the return rights. These rights will continue for the duration of the 5-year period. If an extension of the foreign area limitation beyond 5 years is approved, return rights shall be forfeited and return placement shall be effected through the DoD Priority Placement Program (DoD 1400.20-1-M (reference (b))), unless the activity in the United States agrees to continue employee return rights during the period the employee remains employed in the foreign area.
(5) Employees whose positions to which they have return rights have been or are scheduled to be abolished and whose return would initiate a reduction-in-force or whose exercise of return rights would result in a reduction from current grade level are entitled to placement assistance in returning to the United States through the DoD Priority Placement Program (DoD 1400.20-1-M (reference (b))). Such employees are entitled to placement assistance until they are placed, decline a valid offer, renew their transportation agreement, exercise their return rights, or are directed to return. Components may establish policies which require employees to exercise their return rights after a reasonable period of Priority Placement Program registration.

(6) Employees in positions not subject to the 5-year limitation on foreign employment may elect to forfeit their return rights after 5 years and, with the approval of their employing activity, remain in a foreign area indefinitely.

c. Employees Hired on or Converted to Career or Career-Conditional Appointments Without Return Rights

(1) Except for employees who are in positions not subject to the 5-year limitation, the policy of return from foreign areas in 5 years shall be followed for career or career-conditional employees hired in the United States or in a foreign area for service in a foreign area, unless an extension of the limitation is approved in accordance with subparagraph 4-2.a.(4), above.

(2) Such employees shall be required to sign an agreement as a condition of employment specifying that they will register in the DoD Priority Placement Program and accept assignment in the United States when offered. Registration and placement will be in accordance with DoD Manual 1400.20-1-M (reference (b)). Failure or refusal to register in the DoD Priority Placement Program or to accept an appropriate offer would be a basis for separation.

d. Employees Hired on Overseas Limited Appointments

(1) Except as specified in subparagraph 4-2.d.(2) below, the policy of limiting foreign employment to 5 years with the Department of Defense shall apply to employees hired on overseas limited appointments. Such employees shall be given an appointment not to exceed 5 years. Unless an extension is approved in accordance with subparagraph 4-2.a.(4) above, these employees shall be terminated at the end of the 5-year period.

(2) Employees in positions not subject to the 5-year limitation may be given overseas limited appointments of indefinite tenure.

e. Employees in Foreign Areas Who Are Not Serving Under a Rotation Agreement

(1) Employees who have been employed in a foreign area continuously since April 1, 1966, and who are not serving under an agreement providing for their rotation to the United States shall not be required to return against their wishes. Such employees shall be given positive assistance in returning to positions in the United States.
(2) If otherwise eligible and acceptable, no arbitrary restrictions based solely on length of service in foreign areas may be placed on the transfer between DoD Components in foreign areas of employees in this category.

(3) Employees described in subparagraph 4-2.e.(1), above, who are displaced and are placed subsequently at another foreign location through the DoD Priority Placement Program, shall be required to register in the DoD Priority Placement Program for placement in the United States after serving one renewal agreement tour of duty in the new foreign area. Such employees shall be required to accept an equivalent assignment when offered through the DoD Priority Placement Program or shall be separated.

(4) Employees employed in GS-6 or below or non-supervisory wage grade positions who are currently exempt from rotation may continue to be exempted as long as they remain continuously employed at those levels.
REFERENCES

APPENDIX A

(a) Title 10, United States Code, Section 1586